## Redevelopment Study and Preliminary Investigation Report Lincoln Boulevard — Phase 1

# **Borough of Middlesex**

Middlesex County, New Jersey

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## Introduction

On December 17, 2013, the Middlesex Borough Council adopted Resolution No. 324-13, which authorized the Middlesex Borough Planning Board to undertake a non-condemnation preliminary investigation to determine whether or not certain properties in Middlesex Borough may be designated as an area in need of redevelopment in accordance with applicable New Jersey law. In accordance with State law, the use of eminent domain powers may not be utilized for properties that are designated as in need of redevelopment. A copy of Resolution No. 324-13 is provided in Appendix A.

The Middlesex Borough Council subsequently adopted Resolution No. 96-14 on March 25, 2014. Resolution No. 96-14 provided that the preliminary investigation that is described in Resolution No. 324-13 be undertaken in up to four phases, hereinafter referred to as: Phase 1; Phase 2; Phase 3; and, Phase 4. A copy of Resolution No, 96-14 is provided in Appendix B. On February 12, 2014, the Borough of Middlesex Planning Board adopted a resolution authorizing the Borough's Redevelopment Planning Consultant to prepare a preliminary investigation report as described above. On April 9, 2014 an amended resolution was adopted by the Planning Board to clarify that the preliminary investigation report will be conducted in up to four (4) phases of approximately fifty (50) parcels each as indicated in the Borough Redevelopment Planners proposal, dated February 26, 2014. A copy of the Planning Board Resolution, which was memorialized on April 9, 2014, is provided in Appendix C.

This report documents and analyzes the existing condition of those properties that are included in Phase 1, and makes a determination as to whether or not they may be designated, in whole or in part, as an area in need of redevelopment in accordance with the Local Redevelopment and Housing Law (N.J.S.A. 40A:12A-1 et seq.). The information it contains will assist the Middlesex Borough Planning Board in making a recommendation to the Middlesex Borough Council as to whether or not

it should adopt a resolution determining that the aforementioned tax parcels, or any part thereof, are in need of redevelopment.

## **Study Area Description**

The properties that are included in Phase 1 have a combined area of approximately 26.6 acres, and are specifically known as: Block 122, Lots 2, 3 and 4.01; Block 125, Lots 1, 3, 5, 8, 9.01 and 11.01; Block 126, Lots 4.02<sup>1, 2</sup>; Block 127, Lot 22<sup>3</sup>; Block 128, Lots 1 and 2; Block 129, Lots 1, 2, 3.01, 3.02, 4 and 5; Block 132, Lots 1 and 1.01; Block 140, Lots 1, 2, 3, 5 and 6; Block 348, Lots 1.01 and 3; and, Block 349, Lots 1, 2, 3 and 3.01. These properties are herein collectively referred to as the Phase 1 Study Area.

The Phase 1 Study Area is generally located along the western portion of Lincoln Boulevard (Middlesex County Route No. 607), from the municipal boundary with the Borough of Bound Brook in Somerset County in the west to D Street in the east. All properties either front on, or are adjacent to properties that front on, Lincoln Boulevard (Middlesex County Route No. 607). Portions of the Phase 1 Study Area

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Mapping included as Schedule B of Resolution No. 324-13 depicts a portion of Block 126, Lot 4.08 as being situated within the area that should be evaluated to determine if it is in need of redevelopment in accordance with New Jersey law. However, Block 126, Lot 4.08 was not specifically included in the list of properties to evaluate that was included as Schedule A of Resolution No. 324-13. As a result, the Phase 1 Redevelopment Study and Preliminary Investigation Report does not include Block 126, Lot 4.08.

Mapping included as Schedule B of Resolution No. 324-13 depicts former Block 126, Lots 6 and 7 as being situated within the area that should be evaluated to determine if it is in need of redevelopment in accordance with New Jersey law. Former Block 126, Lots 6 and 7 are also included in the list of properties to evaluate that was included as Schedule A of Resolution No. 324-13. However, Block 126, Lots 6 and 7 have been the subject of a subdivision, and the resulting parcel (Block 126, Lot 7.01) extends to areas that are not within the redevelopment study area that is shown in Schedule B. As a result, the Phase 1 Redevelopment Study and Preliminary Investigation Report does not include former Block 126, Lots 6 and 7, or current Block 126, Lot 7.01.

Mapping included as Schedule B of Resolution No. 324-13 depicts a portion of Block 127, Lot 21 as being situated within the area that should be evaluated to determine if it is in need of redevelopment in accordance with New Jersey Law. However, Block 127, Lot 21 was not specifically included in the list of properties to evaluate that was included as Schedule A of Resolution No. 324-13. As a result, the Phase 1 Redevelopment Study and Preliminary Investigation Report does not include Block 127, Lot 21.

also front on: River Road (Middlesex County Route No. 622); Raritan Avenue (Middlesex County Route No. 622); A Street; B Street; C Street; and, D Street. A railroad right-of-way that is located to the south of the Phase 1 Study Area.

Appendix D provides copies of sheets 12, 27, 28 and 29 of the official tax maps Middlesex Borough. Appendix E provides aerial imagery dating from 2012.

## **Existing Land Use**

New Jersey's MOD-IV property tax assessment database, which provides for the uniform preparation, maintenance, presentation and archival of property tax information in the state, classifies the parcels of the Phase 1 Study Area as: public (one of 32 parcels); vacant (seven of 32 parcels); single-family residential (seven of 32 parcels); commercial (six of 32 parcels); and, industrial (11 of 32 parcels). The residential parcels are located in the eastern part of the Phase 1 Study Area, primarily in Block 140. The single public parcel is located at the western end of the Phase 1 Study Area, on Block 127. Most vacant parcels are located in a contiguous area of approximately 4.1 acres, which is located on the south side of Lincoln Boulevard (Middlesex County Route No. 607), and extends from Block 129, Lot 2 westward to Block 349, Lot 3. The two remaining vacant parcels are located on Block 132 and 128. Commercial parcels are located to the south of Lincoln Boulevard (Middlesex County Route No. 607), near the eastern and western ends of the Phase 1 Study Area, and to the north of Lincoln Boulevard (Middlesex County Route No. 607), in the central part of the Phase 1 Study Area. Industrial parcels are concentrated in the central part of the Phase 1 Study Area, to the north and south of Lincoln Boulevard (Middlesex County Route No. 607). Appendix F provides mapping of the MOD-IV property tax assessment classification of the Phase 1 Study Area. Observed land use closely matches the classifications of the MOD-IV property tax assessment database. It is, however, important to note that following information: Block 132, Lot 1.01, which is classified in the MOD-IV property tax assessment

database as vacant is actually developed with a parking lot that is associated with

the industrial use on adjacent Block 132, Lot 1; Block 127, Lot 22, which is classified in the MOD-IV property tax assessment database as public property is a vacant, wooded lot that is traversed by Ambrose Brook; and, the industrial use on Block 126, Lot 4.02 contains extensive wooded areas, and is also traversed by Ambrose Brook. None of the properties in the Phase 1 Study Area are listed on the Open Space Database of the New Jersey Department of Environmental Protection's Green Acres Program.

Surrounding the Phase 1 Study Area are predominantly: residential uses to the north of Blocks 122, 125, 132, and 140; wooded, vacant parcels on Blocks 126 and 127, with the exception of Block 126, Lot 7.01, which is partially developed with a gasoline service station and public garage; a mix of commercial and industrial uses to the east of Blocks 140 and 349; and, industrial uses surrounding the railroad right-of-way to the south of the entire Phase 1 Study Area.

Appendix H portrays the observed land use of the Phase 1 Study.

#### **Environmental Constraints**

A review of the latest digital geographic data of the New Jersey Department of Environmental Protection and Federal Emergency Management Agency provides that the Phase 1 Study Area contains the following: mapped wetlands (on: Block 127, Lot 22; Block 126, Lot 4.02; and, Block 128, Lots 1 and 2); flood hazard areas (on: Block 127, Lot 22; Block 126, Lot 4.02; Block 128, Lots 1 and 2; and, Block 129, Lot 5); Ambrose Brook, which is a non-Category 1 waterway that traverses Block 127, Lot 22; Block 126, Lot 4.02; Bound Brook, which is a non-Category 1 waterway that forms the western boundary of the Phase 1 Study Area along Block 127, Lot 22 and Block 128, Lot 2; and, an unnamed minor tributary of Bound Brook on Block 128, Lots 1 and 2.

According to the current Known Contaminated Sites List of the New Jersey

Department of Environmental Protection's Site Remediation Program, the Phase 1

Study Area contains three known contaminated sites, as follows: Block 126, Lot

4.02, which is referenced as Site No. 032988 and has a remedial level of C3; Block 125, Lot 8, which referenced as Site No.: 032729 and has a remedial level of C2; and, Block 132, Lot 1, which is referenced as Site No.: 484788 and has a remedial level of C2. As outlined in the Site Remediation Program's 1989 Case Assignment Manual, the C3 remedial level is characterized by: contamination of high complexity and threat, with multiple contaminants, some of which may be at high concentrations, of unknown sources impacting soils, groundwater, and, possibly, surface waters and potable water resources. The 1989 Case Assignment Manual also noted that direct contact with contaminated soils on C3 sites may be dangerous. The 1989 Case Assignment Manual characterizes C2 sites by: complicated contaminant discharges of more than one contaminant, potentially with multiple spills and discharges, with both soil and groundwater impacted or threatened.

New Jersey Department of Environmental Protection records indicate that all of these known contaminated sites are active cases, and that remediation is underway. Additional known contaminated sites are located within the general vicinity of, but not within, the Phase 1 Study Area.

The Phase 1 Study Area contains another contaminated site that is not listed on the Known Contaminated Sites List. Specifically, the tract formed by Block 348, Lots 1.01 and 3, and Block 129, Lots 1 and 2, have been found to have high levels of soil and groundwater contamination. Further details about the contamination on this site are provided in Appendix J.

Appendix H provides mapping of the aforementioned environmental constraints.

## **Zoning**

As depicted in Appendix I, the Phase 1 Study Area is located in the CLW (Commercial/Light Manufacturing/Wholesale) and R-75 (Single-Family Residential) zone districts, and the O-T (Transitional) and O-G (Gateway) rehabilitation zone districts. All parcels are located in the CLW (Commercial/Light

Manufacturing/Wholesale) Zone District. However, the following parcels are split-zoned and located in both the CLW (Commercial/Light Manufacturing/Wholesale) and R-75 (Single-Family Residential) zone districts: Block 125, Lot 3; Block 126, Lot 4.02; and, Block 127, Lot 22. When a parcel is also located in the O-T (Transitional) overlay zone district, the standards of the O-T (Transitional) overlay are optional. When a parcel is also located in the O-G (Gateway) overlay zone district, the standards of the O-G (Gateway) overlay become mandatory, and replace the underlying zoning.

## CLW (Commercial/Light Manufacturing/Wholesale) Zone District

As provided by Section 420-55 of the Middlesex Borough Code, the principal permitted uses of the CLW (Commercial/Light Manufacturing/Wholesale) Zone District are:

- Retail shopping facilities and service establishments where commodities are sold or services provided primarily for a local market, such as:
  - Grocery stores;
  - o Bakeries;
  - Delicatessens;
  - Drug stores;
  - Beauty parlors;
  - Dry-cleaning establishments;
  - Garden and flower shops;
  - o Studios for instruction in art, music, dancing, etc.; and,
  - Clothing stores.
- Retail shopping facilities and service establishments servicing a widely distributed clientele over a broad market area, such as:
  - Shopping centers;
  - Furniture stores;
  - Department stores; and,
  - Lumber and building materials supplies.

- Professional and general business offices.
- Banks.
- Recreational and amusement facilities operated for profit, including:
  - Indoor theaters;
  - o Bowling alleys; and,
  - o Skating rinks.
- Full-service restaurants.
- Funeral homes.
- Warehousing and storage buildings, except for bulk storage of hazardous materials.
- Wholesale operations.
- Public utility activities of an industrial character, such as bus repair and maintenance yards, storage facilities, depots and stations.
- Activities of an industrial nature which deal primarily with light assembly
  from finished products, fabrication and packaging of goods that will not
  result in any nuisance or hazard beyond the limits of the lot occupied by such
  activity.
- Metalworking, machine welding and machine shops.
- Printing and publishing establishments.
- Research institutions and laboratories for scientific or industrial research, testing, experimentation and product development.

In addition to the principal permitted uses that have been listed above, the CLW (Commercial/Light Manufacturing/Wholesale) Zone District permits quasi-public clubs and organizations, gasoline service stations and public garages, and commercial earth terminals as conditional uses.

The prevailing bulk requirements for the CLW (Commercial/Light Manufacturing/Wholesale) Zone District are outlined in Table 1.

Table 1: Bulk Requirements in the CLW Zone District

Standard	Requirement <sup>4</sup>
Minimum Lot Size	20,000 Sq. Ft.
Minimum Lot Width	100 Ft.
Minimum Lot Depth	100 Ft.
Minimum Front Yard Setback	15 Ft.
Minimum Side Yard Setback (One Side)	5 Ft.
Minimum Side Yard Setback (Both Sides)	20 Ft.
Minimum Rear Yard Setback	30 Ft.
Minimum Accessory Side Yard Setback	5 Ft.
Minimum Accessory Rear Yard Setback	30 Ft.
Maximum Principal Building Lot Coverage	50 Percent
Maximum Building Height (Stories)	3 Ft.
Maximum Building Height (Feet)	35 Ft.
Maximum Impervious Lot Coverage	95 Percent
Minimum Gross Floor Living Area	

### R-75 (Single-Family Residential) Zone District

As provided by Section 420-42 of the Middlesex Borough Code, the principal permitted uses of the R-75 (Single-Family Residential) Zone District are:

- Detached, single-family dwellings.
- Churches and other places of worship.
- Nurseries and commercial greenhouses.
- Community residences.

In addition to the principal permitted uses that have been listed above, the R-75 (Single-Family Residential) Zone District permits the following conditional uses: nursery schools; home professional offices; and, community residences for the placement of more than six, but fewer than 16 mentally- or physically-handicapped persons, excluding resident staff.

<sup>&</sup>lt;sup>4</sup> Limited exceptions apply. See Section 420-55D of the Middlesex Borough Code for complete details.

The prevailing bulk requirements for the R-75 (Single-Family Residential) Zone District are outlined in Table 2.

Table 2: Bulk Requirements in the R-75 Zone District

Standard	Requirement <sup>5</sup>
Minimum Lot Size	7,500 Sq. Ft.
Minimum Lot Width	75 Ft.
Minimum Lot Depth	80 Ft.
Minimum Front Yard Setback	30 Ft.
Minimum Side Yard Setback (One Side)	8 Ft.
Minimum Side Yard Setback (Both Sides)	20 Ft.
Minimum Rear Yard Setback	20 Ft.
Minimum Accessory Side Yard Setback	5 Ft.
Minimum Accessory Rear Yard Setback	4 Ft.
Maximum Principal Building Lot Coverage	25 Percent
Maximum Building Height (Stories)	2.5 Ft.
Maximum Building Height (Feet)	35 Ft.
Maximum Impervious Lot Coverage	60 Percent
Minimum Gross Floor Living Area	600 Sq. Ft.

#### O-T (Transitional) Overlay Zone District

In accordance with Section 5.3 of the Lincoln Boulevard Redevelopment Plan, property owners are permitted to either develop their property in accordance with the zoning that existed immediately prior to the implementation of the Redevelopment Plan or apply to the Planning Board to designate the area as a new Focus Area. We note that properties within the Transitional Zone, which have less than 200 hundred feet of frontage are permitted to develop 2-story townhouses, 2-story duplexes, 3-story townhouses and 3-story triplexes that are setback 9-feet from the right-of-way.

Limited exceptions apply. See Section 420-42D of the Middlesex Borough Code for complete details.

## O-G (Gateway) Zone District

The Gateway Focus Area largely comprises the former Chemray Chemical Company that burnt down approximately three decades ago. The site remains vacant and contains environmental contamination. To encourage the remediation of this tract consistent with the 2007 Redevelopment Plan objectives, amendments to the Redevelopment Plan were undertaken in 2011. The Gateway is essential to establishing the entry into the Lincoln Boulevard corridor. The Gateway is primarily residential because of the West Market and Town Center's retail focus. Permitted uses include: two story townhouses, duplexes, 3-story townhouses, triplexes and apartments.

## **Planning Context**

**Master Plan** 

The Borough of Middlesex Planning Board adopted a new Master Plan in 2012. The Master Plan identifies the following regarding redevelopment and the Phase 1 Study Area:

#### **Objectives**

New Land Use Objectives

1. Lincoln Boulevard. Promote the rehabilitation of Lincoln Boulevard in accordance with the Lincoln Boulevard Redevelopment Plan as it may be amended from time to time. (Page 4)

#### **Land Use Plan Amendment**

### Lincoln Boulevard Redevelopment

In 2005, Middlesex Borough undertook a community land use visioning process for the area along Lincoln Boulevard and Mountain Avenue as the basis for developing the Lincoln Boulevard Redevelopment Plan. The Lincoln Boulevard Rehabilitation Area has a gross area, including streets, of 191.7 acres and contains three (3) Focus Areas. The first Focus Area is located where Lincoln Boulevard and Mountain Avenue intersect and is referred to as the "Town Center". The Town Center is approximately 21.5 acres in area. The second Focus Area includes the Pathmark supermarket and surrounding properties, and is referred to as the "West Market". The West Market is approximately 16.7 acres in area. The third Focus Area is the gateway to Middlesex Borough from Bound Brook and is referred to as the "Gateway". The Gateway is approximately 17.4 acres in area. Each of these three areas contains a Redevelopment Plan with specific standards, which must be followed. Remaining Plan areas are referred to as "Transitional Zones" and may be redeveloped in accordance with the underlying zoning or limited standards within the Redevelopment Plan.

#### Discussion

Since the Redevelopment Plan's adoption in 2007, there has been minimal interest to construct projects in the Lincoln Boulevard Rehabilitation Area. In 2011, the Redevelopment Plan was amended to permit 146 residential apartment-style units within the Gateway Focus Area. While the economic downturn is partially responsible for the lack of non-residential redevelopment interest, the property owners of existing viable commercial and industrial properties also have had limited interest in redeveloping their properties into new mixed-use developments. Limited market forces exist to encourage "Main Street" style mixed-use development adjacent to a passenger and freight rail line where no stop exists in Middlesex Borough. New Jersey Transit's refusal to permit a rail stop between Bound Brook and Dunellen Stations, coupled with Middlesex County's refusal to construct streetscape improvements proposed in the Redevelopment Plan area, greatly threaten the ability to implement the Redevelopment Plan. Furthermore, steel construction rather than wood "stick" construction is required to build the focal point six-story building in the Plan with structured parking, which is likely cost prohibitive. Given these constraints to redevelopment along the corridor, Middlesex

Borough should consider either amending the Redevelopment Plan or evaluating select areas for redevelopment.

## **Redevelopment Area Criteria**

An area may be determined to be in need of redevelopment if it meets one or more of the redevelopment area criteria that are provided in the Local Redevelopment and Housing Law at N.J.S.A. 40A:12A-5. These criteria are listed below:

- a) The generality of buildings are substandard, unsafe, unsanitary, dilapidated, or obsolescent, or possess any of such characteristics, or are so lacking in light, air, or space, as to be conducive to unwholesome living or working conditions.

  (N.J.S.A. 40A:12A-5[a]).
- b) The discontinuance of the use of buildings previously used for commercial, manufacturing, or industrial purposes; the abandonment of such buildings; or the same being allowed to fall into so great a state of disrepair as to be untenantable. (N.J.S.A. 40A:12A-5[b]).
- c) Land that is owned by the municipality, the county, a local housing authority, redevelopment agency or redevelopment entity, or unimproved vacant land that has remained so for a period of ten years prior to adoption of the resolution, and that by reason of its location, remoteness, lack of means of access to developed sections or portions of the municipality, or topography, or nature of the soil, is not likely to be developed through the instrumentality of private capital. (N.J.S.A. 40A:12A-5[c]).
- d) Areas with buildings or improvements which, by reason of dilapidation, obsolescence, overcrowding, faulty arrangement or design, lack of ventilation, light and sanitary facilities, excessive land coverage, deleterious land use or obsolete layout, or any combination of these or other factors, are detrimental to the safety, health, morals, or welfare of the community. (N.J.S.A. 40A:12A-5[d]).

- e) A growing lack or total lack of proper utilization of areas caused by the condition of the title, diverse ownership of the real properties therein or other similar conditions which impede land assemblage or discourage the undertaking of improvements, resulting in a stagnant and unproductive condition of land potentially useful and valuable for contributing to and serving the public health, safety and welfare, which condition is presumed to be having a negative social or economic impact or otherwise being detrimental to the safety, health, morals, or welfare of the surrounding area or the community in general. (N.J.S.A. 40A:12A-5[e]).
- f) Areas, in excess of five contiguous acres, whereon buildings or improvements have been destroyed, consumed by fire, demolished or altered by the action of storm, fire, cyclone, tornado, earthquake or other casualty in such a way that the aggregate assessed value of the area has been materially depreciated.

  (N.J.S.A. 40A:12A-5[f]).
- g) In any municipality in which an enterprise zone has been designated pursuant to the "New Jersey Urban Enterprise Zones Act," P.L.1983, c.303 (C.52:27H-60 et seq.) the execution of the actions prescribed in that act for the adoption by the municipality and approval by the New Jersey Urban Enterprise Zone Authority of the zone development plan for the area of the enterprise zone shall be considered sufficient for the determination that the area is in need of redevelopment pursuant to sections 5 and 6 of P.L.1992, c.79 (C.40A:12A-5 and 40A:12A-6) for the purpose of granting tax exemptions within the enterprise zone district pursuant to the provisions of P.L.1991, c.431 (C.40A:20-1 et seq.) or the adoption of a tax abatement and exemption ordinance pursuant to the provisions of P.L.1991, c.441 (C.40A:21-1 et seq.). The municipality shall not utilize any other redevelopment powers within the urban enterprise zone unless the municipal governing body and planning board have also taken the actions and fulfilled the requirements prescribed in P.L.1992, c.79 (C.40A:12A-1 et al.) for determining that the area is in need of redevelopment or an area in

- need of rehabilitation and the municipal governing body has adopted a redevelopment plan ordinance including the area of the enterprise zone. (N.J.S.A. 40A:12A-5[g]).
- h) The designation of the delineated area is consistent with smart growth planning principles adopted pursuant to law or regulation. (N.J.S.A. 40A:12A-5[h]).

In addition to the conditions that have been listed above, the Local Redevelopment and Housing Law notes that:

A redevelopment area may include land, buildings or improvements[,] which of themselves are not detrimental to the public health, safety or welfare, but the inclusion of which is found necessary, with or without change in their condition, for the effective redevelopment of the area of which they are a part. (N.J.S.A. 40A:12A-3).

## **Redevelopment Analysis**

A careful analysis of the Phase 1 Study Area has revealed that 6 of the total of 32 parcels meet one or more of the redevelopment area criteria that are provided in the Local Redevelopment and Housing Law at N.J.S.A. 40A:12A-5. Specific details of this analysis are provided in the parcel analysis sheets of Appendix J.

#### "a" Criterion

The "a" criterion of the statute focuses on physical conditions of the buildings located on-site that pose a direct threat to the public health, safety, or welfare or contribute to unwholesome living or working conditions. As set forth in the Section 5 of the LRHL, an area or property may be designated in need of redevelopment where:

a) The generality of buildings are substandard, unsafe, unsanitary, dilapidated, or obsolescent, or possess any of such characteristics, or are so lacking in light, air,

or space, as to be conducive to unwholesome living or working conditions. (N.J.S.A. 40A:12A-5[a]).

For an area to qualify as being in need of redevelopment pursuant to the "a" criterion, the Planning Board must find that the buildings in the area have deteriorated, exhibit a lack of maintenance or upkeep, are substandard, or have fallen into such a state of disrepair that they constitute a threat to the people who live or work in them. Consequently, when analyzing the applicability of the "a" criterion, the Planning Board should focus on the physical conditions of the buildings within the Phase 1 Study Area.

An analysis of applicability of the "a" criterion has included a review of local building, housing, fire, health, and property-maintenance code records. Where a consistent and ongoing pattern of code violations has occurred over many years, this provides strong evidence of disinvestment, which may support a finding that the property exhibits substandard conditions under the "a" criterion.

A field investigation of the Phase 1 Study Area was conducted. While the inspection included buildings that were recently repaired and rehabilitated, other units exhibit a significant lack of maintenance and repair that clearly results in conditions that adversely impact the public health, safety and are "conducive to unwholesome living conditions" as expressed in the LRHL.

#### "b" Criterion

The "b" criterion may be applied when buildings that were previously used for commercial, manufacturing, or industrial purposes have been abandoned and have fallen into so great a state of disrepair as to be untenable. To meet the "b" criterion, the deterioration or disrepair must be so extensive that the building may be considered "untenantable," as per the statutory criteria.

#### "c" Criterion

Property owned by a municipality, county, housing authority, or redevelopment entity, or unimproved vacant land that has remained so for a period of ten years

prior to adoption of the resolution, and that by reason of its location, remoteness lack of means of access to developed sections or portions of the municipality may be designated in need of redevelopment pursuant to the "c" criterion.

### "d" Criterion

While the "a" criterion focuses on the condition of the buildings on a property, the "d" criterion is focused on the overall layout and design of the site including buildings and all other related improvements. As set forth in the Section 5 of the LRHL, an area or property may be designated in need of redevelopment where:

d) Areas with buildings or improvements which, by reason of dilapidation, obsolescence, overcrowding, faulty arrangement or design, lack of ventilation, light and sanitary facilities, excessive land coverage, deleterious land use or obsolete layout, or any combination of these or other factors, are detrimental to the safety, health, morals, or welfare of the community. (N.J.S.A. 40A:12A-5[d]).

In addition, the "d" criterion expands the analysis of the statutory criteria to include a review of the condition of other site improvements, such as accessory structures and parking Lots. Some of the factors to be reviewed in analyzing a study area for the applicability of the "d" criterion include the location and relationship of buildings, accessory structures and other site improvements, onsite circulation and parking, land use conflicts, as well as lot and building coverage within the study area. Finally, there must be a showing of how these conditions have an adverse impact or are detrimental to the safety, health, morals, or welfare of the community.

The Phase 1 Study Area includes textbook examples of obsolete layout and design. The layout and design of numerous parking Lots (where parking Lots do exist) are not delineated and accordingly there are no drive aisles or delineated parking spaces. Cars or equipment were observed haphazardly parked within the public right-of-way and in front of buildings that do not adhere to current Middlesex Borough design standards. Lack of fencing and buffers between residential

properties and commercial properties exist throughout the northern portion of the Phase 1 Study Area. Other conditions include:

- Undefined or poorly defined parking and circulation aisles.
- Limited vehicular access or available onsite loading areas, particularly if vehicle storage or loading activities impede vehicular movements or block access to other properties.
- Inadequate onsite parking in comparison to local ordinance requirements,
   which leads to parking problems on surrounding streets.
- Unscreened outdoor storage of materials.
- Lack of sidewalks or pedestrian amenities to businesses.
- Land uses that have an adverse impact on surrounding areas.
- Lack of adequate landscaping, buffering, and screening.

Together, the foregoing is clear and substantial evidence that portions of the Phase 1 Study Area meets the "d" criterion of the statute and qualifies as an area in need of redevelopment.

### "e" Criterion

The "e" criterion is applicable in circumstances where there is a quantifiable economic under-utilization or "a growing lack or total lack of proper utilization" of an area and where title and ownership affecting land within the redevelopment area. This may be the result of property ownership and title problems, property configuration or "other conditions" that result in a "not fully productive condition" of an area, which through its redevelopment could better serve the general welfare of the community. Properties that meet the "e" criterion may include parcels of unimproved vacant land not meeting their full market potential, properties that exhibit poor design and arrangement consistent with the "d" criterion or areas not developed in a manner consistent with the comprehensive planning and economic development objectives of a municipality. Unimproved vacant or underutilized land that is owned by a variety of property owners preventing them from being

consolidated or developed in a comprehensive manner consistent with the objectives of a municipality's zoning and master plan also may qualify as an area in need of redevelopment under the "e" criterion.

One of the indicators used to measure the economic productivity of a property is the ratio of the assessed value of the improvements on the property to the value of the land, commonly known as the improvement to land (I/L) ratio. Developed properties in areas that are economically viable typically have improvement-to-land ratios of 2:1 or greater. Lower ratios may offer evidence of underutilization. An improvement-to-land ratio of 1:1 or less may represent strong evidence of economic underutilization.

However, it is important to note that a low improvement-to-land ratio, in itself, is not absolute proof that a property is in need of redevelopment. A property may not be economically "underutilized," but may exhibit a lack or growing lack of "proper utilization" in relation to a municipality's comprehensive planning goals and objectives.

As noted in the section of this report describing local planning context for this study, the Lincoln Boulevard corridor has been a focus of the need to encourage redevelopment and reinvestment by the Borough, which represents a significant future economic base of the Borough.

A review of the mix of establishments along the corridor, i.e., convenience retail, outdoor storage of vehicles and equipment, unimproved land, portions of the area are suffering from a lack of diverse and quality retailers. There are also a large number of properties that are in poor condition and/or not being utilized to their highest and best use. Through the strategic redevelopment of key properties, the Borough would be in a better position of promoting the development of uses that will complement and help support the community land use vision for the Lincoln Boulevard Redevelopment Area which have been planned for since 2005/2006.

A comprehensive planning approach, which would include the targeted redevelopment of underutilized properties would promote sustainable economic growth and development in the Borough.

As noted in the accompanying property evaluation sheets, a number of the properties in the Phase 1 Study Area are not fully productive. However, no issues of title, diversity of ownership or other similar conditions were evident as part of the study. For this reason, the properties do not qualify under the "e" criterion.

#### "h" Criterion

The Local Redevelopment and Housing Law was amended in 2003 to add the "h" criterion to the list of statutory criteria. The "h" criterion permits a municipality to designate an area in need of redevelopment if "[t]he designation of the delineated area is consistent with smart growth planning principles adopted pursuant to law or regulation" (N.J.S.A. 40A:12A-5[h]).

#### State Planning Act

The State Planning Act (N.J.S.A. 52:18A-196 et seq.), which was adopted in 1985, establishes the framework for State policies and regulations related to smart growth principles. Among the findings and declarations of the State Legislature in the State Planning Act that serve as this framework are the following:

- New Jersey, the nation's most densely populated State, requires sound and integrated Statewide planning and the coordination of Statewide planning with local and regional planning in order to conserve its natural resources, revitalize its urban centers, protect the quality of its environment, and provide needed housing and adequate public services at a reasonable cost while promoting beneficial economic growth, development and renewal. (N.J.S.A. 52:18A-196.a.)
- Significant economies, efficiencies and savings in the development process would be realized by private sector enterprise and by public sector development agencies if the several levels of government would cooperate in

- the preparation of and adherence to sound and integrated plans. (N.J.S.A. 52:18A-196.b.)
- It is of urgent importance that the State Development Guide Plan be replaced by a State Development and Redevelopment Plan designed for use as a tool for assessing suitable locations for infrastructure, housing, economic growth and conservation. (N.J.S.A. 52:18A-196.c.)
- It is in the public interest to encourage development, redevelopment and economic growth in locations that are well situated with respect to present or anticipated public services and facilities, giving appropriate priority to the redevelopment, repair, rehabilitation or replacement of existing facilities and to discourage development where it may impair or destroy natural resources or environmental qualities that are vital to the health and well-being of the present and future citizens of this State. (N.J.S.A. 52:18A-196.d.)
- Since the overwhelming majority of New Jersey land use planning and development review occurs at the local level, it is important to provide local governments in this State with the technical resources and guidance necessary to assist them in developing land use plans and procedures which are based on sound planning information and practice, and to facilitate the development of local plans which are consistent with State and regional plans and programs.

  (N.J.S.A. 52:18A-196.f.)
- An adequate response to judicial mandates respecting housing for low- and moderate-income persons requires sound planning to prevent sprawl and to promote suitable use of land. (N.J.S.A. 52:18A-196.h.)

State Development and Redevelopment Plan<sup>6</sup>

The New Jersey State Development and Redevelopment Plan, which was adopted pursuant to the State Planning Act, contains a series of smart growth goals and policies and a map that reflects desired growth patterns. The entire preliminary

The New Jersey State Development and Redevelopment Plan, The New Jersey State Planning Commission, March 1, 2001.

investigation area is located in State Planning Area 1, which is also known as the Metropolitan Planning Area. As provided in the State Development and Redevelopment Plan, the Metropolitan Planning Area is intended to:

- Provide for much of the state's future redevelopment.
- Revitalize cities and towns.
- Promote growth in compact forms.
- Stabilize older suburbs.
- Redesign areas of sprawl.
- Protect the character of existing stable communities.

The website of the Office of Planning Advocacy of the New Jersey Department of State defines a smart growth area<sup>7</sup> to be an area classified as one of the following:

- Metropolitan Planning Area (PA1).
- Suburban Planning Area (PA2).
- A designated center.
- An area identified for growth as a result of either an initial or advanced petition for plan endorsement that has been approved by the State Planning Commission.
- A smart growth area designated by the New Jersey Meadowlands Commission.
- A Pinelands Regional Growth Area, Pinelands Village or Pinelands Town, as designated by the New Jersey Pinelands Commission.

The Office of Planning Advocacy defines smart growth as "well-planned, well managed growth that adds new homes and creates new jobs, while preserving open space, farmland, and environmental resources. Smart growth supports livable neighborhoods with a variety of housing types, price ranges and multi-modal forms of transportation." Smart growth is epitomized by compact, transit-accessible,

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<sup>&</sup>lt;sup>7</sup> http://nj.gov/state/planning/spc-research-resources-sga.html

pedestrian-oriented, and environmentally sustainable development. Smart growth may exhibit one or more of the following characteristics:

- Mixed land uses.
- Compact, clustered community design.
- A wide range of housing choices and opportunities.
- Walkable neighborhoods.
- Distinctive, attractive communities offering a sense of place.
- Open space, farmland, and scenic resource preservation.
- Development directed to existing communities and infrastructure.
- Sustainable design.
- A variety of transportation options.

As described in the preceding sections of this report, the Phase 1 Study Area has been the target of smart growth planning efforts by Middlesex Borough. Beginning in 2005, the Borough moved forward with a community visioning process for the entire Redevelopment Study Area (All Phases). This included a series of community land use visioning workshops and design charrettes, which included the participation of representatives of Middlesex Borough, Middlesex County, Rutgers University, and the New Jersey Office of Smart Growth (now the New Jersey Office of Planning Advocacy). The vision established in these workshops, and outlined within the Lincoln Boulevard Redevelopment Plan, is consistent with New Jersey's smart growth principles and objectives, which include: development directed to existing communities and infrastructure; sustainable design; distinctive, attractive communities offering a sense of place; compact community design; mixed-use development; walkable neighborhoods; a variety of transportation options; and, an array of housing options that would benefit the region. The vision for the area envisions the creation of a new mixed-use commercial/residential center serving the surrounding area. As indicated on Page 3 of the Lincoln Boulevard Redevelopment Plan, the planning impetus was to create a redevelopment plan to increase the quality of life for Borough residents and to reinvent a once viable

downtown in Middlesex Borough. Furthermore, the implementation of the Lincoln Boulevard Redevelopment Plan would direct new growth to locations where infrastructure and services are available, reuse existing land, limit sprawl development, and enhance and rebuild the Borough.

The Municipal Land Use Law (N.J.S.A. 40:55D) allocates planning and regulatory authority to municipalities and establishes the procedural framework for how local governments plan for the future. The Municipal Land Use Law has a number of purposes, all based upon ensuring the public health, safety, welfare and morals for communities. While the Lincoln Boulevard Redevelopment Plan promotes several purposes of the Municipal Land Use Law, the smart growth approach of recycling or reusing land as envisioned within the Phase I Study Area, specifically adheres to the following Municipal Land Use Law Purpose of the Act (N.J.S.A. 40:55D-2):

• To encourage coordination of the various public and private procedures and activities shaping land development with a view of lessening the cost of such development and to the more efficient use of land.

Based on the foregoing, designating the entire Phase 1 Study Area in need of redevelopment would be consistent with smart growth planning principles adopted pursuant to law or regulation as specified in the "h" criterion of the statute. Specifically, the August 9, 2011 adopted Lincoln Boulevard Redevelopment Plan, as may be amended from time to time, would effectively control the form of development within the Phase 1 Study Area to ensure that the smart growth principles established in the Lincoln Boulevard Redevelopment Plan would be implemented in accordance with Middlesex Borough's land use vision for the area.

An effective approach to the implementation of these principles would benefit Middlesex Borough, and advance regional planning goals and objectives by promoting economic growth and development at a location targeted by state and regional planning agencies for new growth and development. Conversely, the failure to effectively implement these objectives would have an adverse impact on

Middlesex Borough and the region by reducing opportunities for economic recovery. A well-documented economic downturn has occurred since 2008. As the Legislature highlighted in the Permit Extension Act of 2008 (N.J.S.A. 40:55D-136.1 et seq.), "[t]here exists a state of national recession, which has drastically affected various segments of the New Jersey economy, but none as severely as the State's banking, real estate and construction sectors." This economic downturn has had an adverse economic impact on the region. Designation of the area in need of redevelopment would promote smart growth objectives, as well as encourage new, sustainable growth and development that would benefit Middlesex Borough, the region, and the State. (N.J.S.A. 40:55D-136.2).

Based on the foregoing analysis, all of the properties in the Phase 1 Study Area would meet the "h" criterion, because each property is located within a designated smart growth area by the New Jersey Office of Planning Advocacy and all properties would implement multiple characteristics of smart growth.

#### Summary

The Phase I Study Area encompasses approximately 26.6 acres. All of the Phase 1 Study Area meets the "h" criterion. About 14.1 acres (52.9 percent) of the Phase 1 Study Area meet one or more additional criteria, other than the "h" criterion.

Table 3 provides a summary of the redevelopment area criteria that are fulfilled by each of the parcels of the Phase 1 Study Area.

**Table 3: Redevelopment Criteria Fulfilled** 

Parcel	Criteria Fulfilled
Block 122, Lot 2	Н
Block 122, Lot 3	Н
Block 122, Lot 4.01	Н
Block 125, Lot 1	Н
Block 125, Lot 3	Н
Block 125, Lot 5	Н
Block 125, Lot 8	Н
Block 125, Lot 9.01	Н
Block 125, Lot 11.01	Н
Block 126, Lot 4.02	Н
Block 127, Lot 22	С, Н
Block 128, Lot 1	Н
Block 128, Lot 2	C, H
Block 129, Lot 3.01	Н
Block 129, Lot 3.02	D, H
Block 129, Lot 4	Н
Block 129, Lot 5	D, H
Block 132, Lot 1	Н
Block 132, Lot 1.01	Н
Block 140, Lot 1	Н
Block 140, Lot 2	Н
Block 140, Lot 3	Н
Block 140, Lot 5	Н
Block 140, Lot 6	Н
Block 348, Lot 1.01; Block 348, Lot 3;	C, H
Block 129, Lot 1; Block 129, Lot 2	
Block 349, Lot 1	Н
Block 349, Lot 2	A, B, H
Block 349, Lot 3	C, H
Block 349, Lot 3.01	Н

A detailed analysis of how each parcel fulfills the redevelopment criteria is provided in Appendix J.

Appendix K provides mapping of the redevelopment area criteria that are fulfilled by the parcels of the Phase 1 Study Area.

## **Conclusion**

As indicated by the foregoing analysis, the entire Phase 1 Study Area fulfills the requirements of the Local Redevelopment and Housing Law (LRHL) for being designated as an area in need of redevelopment when solely utilizing the H criterion. Portions of the Phase I Study Area meet the requirements of the LRHL for redevelopment designation when relying upon additional criteria other than the H criterion. The Middlesex Borough Planning Board may, therefore, recommend that the Middlesex Borough Council adopt a resolution declaring that said portion of the Phase 1 Study Area is in need of redevelopment or the entire area based solely on the H criterion. The portion of the Phase 1 Study Area that fulfills the requirements of the Local Redevelopment and Housing Law for being designated as an area in need of redevelopment is outlined in Appendix K.

Once the Borough Council has declared an area to be in need of redevelopment, the Planning Board or Borough Council may amend the Lincoln Boulevard Redevelopment Plan, which establishes the land development goals and objectives of the Borough, and outlines the actions to be taken in order to accomplish them.

The Redevelopment Plan, after review by the Planning Board, is then referred to the Borough Council. Upon receipt of the Redevelopment Plan, the Borough Council may act to adopt the plan by ordinance. The adopted Redevelopment Plan may then become an amendment to the Borough's zoning map and ordinance, or may be treated as an overlay to existing zoning. Only after adoption by ordinance may the Borough exercise the redevelopment powers granted by the LRHL.

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